



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

OIL AND GAS DOCKET NO. 04-0283387

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**APPLICATION OF EOG RESOURCES, INC.  
TO AMEND FIELD RULES FOR THE  
CORPUS CHRISTI, W. (CONSOLIDATED) FIELD  
NUECES COUNTY, TEXAS**

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**HEARD BY:** Paul Dubois - Technical Examiner  
Marshall Enquist - Legal Examiner

**DATE OF HEARING:** August 1, 2013

**APPEARANCES:**

Doug Dashiell  
Nathan Hollek

**REPRESENTING:**

EOG Resources, Inc.

### EXAMINERS' REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

This is the unopposed application of EOG Resources, Inc. (EOG), for the Commission to consider amending field rules for the Corpus Christi, W. (Consolidated) Field as adopted in Order No. 04-0232010, effective September 12, 2002, as amended. The existing field rules currently provide for:

1. Correlative interval of 10,290 to 13,950 feet as shown on the type log of the Canus Petroleum, Inc, M. Wilson Well No. 1 (API 355-33208);
2. 467 feet lease line and 1,200 feet between well spacing;
- 3a. 320 acre gas well proration unit with 7,500 feet diagonal, and optional 80 acre units with 3,250 feet diagonal;
- 3b. 80 acre gas well proration unit with 3,250 feet diagonal, and optional 80 acre units with 3,250 feet diagonal;

- 4a. Gas well allowables allocated based on 5% of total field allowable and 95% based on deliverability; and
- 4b. Top oil allowable of 401 BOPD and individual well allocation based on 95% potential and 5% of the top oil allowable.

EOG proposes the following rules to facilitate horizontal well development of the field:

1. No change;
2. Provide for a 0-feet between well spacing and provisions for take points, off-lease penetration point with notice to mineral owners, and a box rule;
- 3a. 40 acre standard gas proration units;
- 3b. 40 acre standard oil proration units;
- 4a. No change; and
- 4b. No change.

The application was not protested. The examiners recommend approval of the proposed rules.

### **DISCUSSION OF THE EVIDENCE**

The Corpus Christi, West (Consolidated) Field is located west of the Corpus Christi International Airport in Nueces County, Texas. EOG proposes to update the current field rules for the Corpus Christi, West (Consolidated) Field to facilitate the continued vertical and horizontal development of the field. The Corpus Christi, West (Consolidated) Field was created by Commission Final Order (Docket no. 04-0232010) on September 12, 2002 by the consolidation of the following eight fields:

- Corpus Christi, West, discovered 1948
- Corpus Christi (11,850), discovered 1966
- Corpus Christi, West (10,900), discovered 1978
- Corpus Christi, West (11,650), discovered 1978
- Corpus Christi, West (12,500), discovered 1979
- Corpus Christi, West (10,650), discovered 1980
- Corpus Christi, West (11,000), discovered 1980
- Corpus Christi (Mayo), discovered 1983

The consolidated correlative interval is from 10,290 feet to 13,950 feet. The various fields included in the consolidation each produced from different target sand members of the Frio Formation, including the Mayo, Ritchie, Laureles, Rosen, Herron, and Upper Bren sands. Together the consolidated interval includes much of the lower Frio Sandstone. Prior to consolidation the Commission authorized downhole commingling for several of the wells. Structural hydrocarbon traps are formed by faulting on the west and south sides of the field, and stratigraphic traps are present throughout the area with facies changes in the individual sand units. Reservoir data from the Upper Bren unit (in which the one EOG well is completed, the Kelly Airport GU #1, API 355-33639) indicates an average porosity of 0.246, water saturation of 0.512, and a net pay thickness of 54.5 ft. The G-1 test reported an initial reservoir pressure of 9,553 psi and a reservoir temperature of 301°F. Drainage calculations for this unit at this well indicated a drainage area of 20 acres.

At the time of field consolidation in 2002, there were five producing gas wells among the eight fields. Currently there are five active gas wells and one active oil well in the consolidated field. EOG operates one of the active gas wells. Cumulative field production through April 2013 has been 27.09 BCF gas and 1,121 MBO.

EOG anticipates a field development plan that includes both horizontal and vertical wells. The requested changes to the field rules are consistent with such a plan and the reservoir data presented by EOG. Specifically, EOG indicated that they would be targeting the individual reservoir units that may be thin and bounded by faults and pinch outs. Therefore, reducing the between well spacing to zero feet provides the flexibility necessary for efficient well siting and drilling. The other requested changes to Rule 2 (provisions for take points, off-lease penetration point with notice to mineral owners, and a box rule) are consistent with rules adopted for horizontal well development throughout the state. Finally, the reduction and equalization of gas and oil well proration unit size is consistent with the drainage area calculations provided by EOG.

#### **FINDINGS OF FACT**

1. Notice of this hearing was sent to all operators in the subject field at least ten (10) days prior to the hearing.
2. The hearing was not protested.
3. The Corpus Christi, W. (Consolidated) Field was created by Commission Final Order (Docket no. 04-0232010) on September 12, 2002 by the consolidation of eight fields discovered from 1948 to 1983.
4. The Corpus Christi, W. (Cons) Field and predecessor fields have produced more than 27 BCF gas and 1,121 MBO through April of 2013.
5. The field is currently developed with five gas wells and one oil well currently on the Commission proration schedules.

6. The proposed field rules are consistent with rules recently adopted in other fields experiencing horizontal well development.
7. The drainage area calculations support 40 acre gas and oil proration units.
8. The proposed field rules will reduce waste, protect correlative rights, and provide for the orderly development of the field.

**CONCLUSIONS OF LAW**

1. Proper notice of this hearing was given to all persons legally entitled to notice.
2. All things have occurred or been accomplished to give the Railroad Commission jurisdiction in this matter.
3. The proposed field rules will prevent waste, protect correlative rights, and satisfy statutory requirements.

**EXAMINERS' RECOMMENDATION**

Based on the above findings and conclusions of law, the examiners recommend approval of the proposed amended field rules for the Corpus Christi, W. (Consolidated) Field.

Respectfully submitted,

  
Paul Dubois  
Technical Hearings Examiner

  
Marshall Enquist  
Legal Hearings Examiner